

3. Since that time, EQB has communicated to PREPA that EQB faces limitations on its resources which may impact EQB's ability to utilize the funding for the Air Monitoring Stations. Accordingly, PREPA has collaborated with EQB to resolve obstacles faced by EQB in connection with the construction of the Air Monitoring Stations.

4. PREPA and EQB reached the conclusion that the Air Monitoring Stations could be erected in a shorter time if PREPA itself purchases equipment specified by EQB, rather than simply supplying EQB with money to purchase the equipment. On this basis, PREPA itself provisionally agreed to purchase the equipment necessary for the Air Monitoring Stations and then to transfer the equipment to EQB.

5. EQB has provided equipment specifications to PREPA for the purchase of equipment for three monitoring stations, and PREPA has purchased the requested equipment, utilizing its formal purchasing procedures.

6. A list of the requested equipment is attached hereto as Exhibit A ("the Equipment").

7. PREPA's enabling act, Title 22 Laws of Puerto Rico Annotated § 196, does not expressly or impliedly authorize PREPA to donate or transfer funds or property of value to PREPA to other governmental agencies. This interpretation has been expressed by the Puerto Rico Secretary of Justice in Opinion No. 29 of 1963 concerning the donation of funds to the Red Cross. Moreover, various trust agreements and covenants entered into by PREPA pursuant to the powers vested in PREPA in its enabling act do not authorize PREPA to donate or transfer funds or property of value to PREPA to other governmental agencies.

8. The Court's approval of the modification of the action required to be taken by PREPA, further to its conditions of probation supervised by this Court, from funding the

purchase of Air Monitoring Stations, to purchasing and transferring the Equipment for the Air Monitoring Stations, would provide PREPA with the necessary authority to transfer the Equipment to EQB as a condition of its term of probation.

9. Moreover, because PREPA's proposed actions in connection with the establishment of the Air Monitoring Stations have changed from simply "funding the purchase of" Air Monitoring Stations, to purchasing the Equipment for EQB, PREPA seeks Court approval of this modified action under the terms of the Settlement Agreement, and Court approval and order of the transfer of the property in Exhibit A from PREPA to EQB.

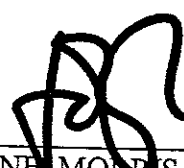
10. The unexpended funds in account number 1-930-90-988-80 remain available for EQB's use to create additional Air Monitoring Stations, at EQB's discretion.

11. PREPA has consulted with the United States Department of Justice on this Motion and the Department of Justice does not oppose this Motion.

12. A form of Order is attached.

In San Juan, Puerto Rico, this 4th day of March 2004.

RESPECTFULLY SUBMITTED,



DUANE MORRIS LLP
Melissa H. Maxman
John C. Ryan
4200 One Liberty Place
Philadelphia, PA 19103
(215) 979-1173/1159

*Counsel for Defendant Puerto Rico Electric Power
Authority*

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 4th day of March, 2004, a true and correct copy of the foregoing Motion for Court Approval of Property Transfer was served via first class mail, postage prepaid, to counsel for the United States of America, addressed as follows:

Howard P. Stewart, Esquire
Senior Litigation Counsel
Environmental Crimes Section
United States Department of Justice
P.O. Box 23985
Washington, DC 20026-3985



John C. Ryan

UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO

United States of America)

v.)

Puerto Rico Electric Power Authority)

No. 3:98CR127-01

ORDER APPROVING PROPERTY TRANSFER
FOR AIR MONITORING STATIONS

Upon the application of defendant Puerto Rico Electric Power Authority, it is hereby ORDERED and DECREED that:

The Puerto Rico Electric Power Authority shall transfer property identified in Exhibit A to its Motion for Court Approval of Property Transfer for Air Monitoring Stations to the Puerto Rico Environmental Quality Board as a condition of the Puerto Rico Electric Power Authority's term of probation supervised by this Court.

Dated: March ____, 2004

Casellas, J.

Equipment for Air Monitoring Stations

Equipment	Requisition	Purchase Order	Units	Unit Cost	Cost
12' length x 6' width axle trailer, white aluminum interior, ¾ plywood floor covered w/diamond aluminum plate, 96" interior height (8') 3/8 plywood walls covered w/"cascara de naranja" material insulated walls and roof, new generation vinyl roof, RV style ceiling, RV style entry door w/security lock, 3 fluorescent lamps w/two tubes, 7 110V receptacles, 1 240V receptacle, 1 20amp plug for A/C, blocking for A/C-in front wall, 30 amp electrical service w/cord equipment rack w/shelf sn. 5NHTCC4124U309909 sn. 5NHTGC4124U309910 sn. 5NHTCC4124U309911	247-007-03	MDA60756	3	\$15,795.00	\$47,385.00
Particulate Filter Line Element Filter Type LC Pore size 10.0 Um	247-008-03	MDA60757	2	\$250.00	\$500.00
Videographics Recorder Westronic SV100 Video Recorder Paperless w/5.5 in. TFT LCD display touch screen, model SV100-150-100-111-000-0 w/ software and instructions manual. sn. DO3JA003 sn. DO3CA007 sn. DO3JA002	247-009-03	MDA60758	3	\$3,977.00	\$11,931.00
UPS regulator w/battery backup, the UPS needed 8 outlets but 3 plug-in power supply. sn. QS0250222392 sn. QS0244120249 sn. QS0250212281	247-010-03	MDA60759	3	\$927.00	\$927.00
Complete Air Intake Assembly (Air flow 56 L/M-2CFM) consisting of : Teflon covered Hood, ½ in. IPS Gaw Steel Pipe, ½ in. Teflon tube, press indicator, six port glass manifold 25m/m, blower 120 V, exhaust manifold six port, six port, screen and floor exhaust port.	247-011-03	MDA60760	3	\$2,181.20	\$10,214.40
19" Racks consisting of: two side panels w/trails and mounting brackets for floor and roof mounting w/mounting instruction, all hardware and w/electric outlet strip, 8 outlets			3	\$1,223.60	
Air Conditioners model wall 123V 1A, 12.00 BTU, 115 volts tamaño 24 ½ in. x 14 ½ in.	247-012-03	MDA60761	3	\$450.00	\$1,350.00

EXHIBIT "A"

sn. GF713738 sn. GF712257 sn. FD826601						
Roof flange ¾ in.	247-013-03	MDA60762	2	\$253.50	\$1,482.00	
Tripod for flow splitter w/ clamps, nuts, washers and instructions.			2	\$487.50		
Multigas Calibrator 146C 10 LPM 100 SCCM	247-014-03	MDA60763	3	\$8,805.00	\$35,216.83	
Zero Air TECO 111			2	\$3,170.00		
Arbitrios			1	\$2,161.00		
Flete			1	\$300.00		
Microloger CR23X w/batt base and 18 VAC transformer SN. 5764 SN. 5765 SN. 5766 "	247-015-03 "	MDA60764	3	\$2,830.00	\$12,401.70	
4M Storage Modules sn. 4270 4274 4278 4271 4275 4279 4272 4276 4280 4273 4277 4281			12	\$348.75		
SM4M/16M Mounting Units			6	20.00		
Flete y seguros			1	195.00		
Gas regulator 400 series SNCON 432-3331-660 dual stage, SS diaphragm with the following specifications: outlet pressure from 1-100 psig, outlet gauge 0-200 psig inlet gauge 0-4000 psig, outlet assembly/guage (psi, kpa) C8A660.	247-016-03	MDA60765	3	\$813.96	\$5,341.08	
Gas cylinders 50 ppm SO2 in nitrogen balance EPA, protocol certified, aluminum cylinder, size 082, SS valve CGA 660. Models 3AL-2215 sn. BAL3695 sn. BLM00553 sn. BLM004443			3	\$966.40		
Analizador SO2 TECO 43C Pulsed Fluorescence 1-10 Volt 115V/60 Hz w/ analog output cover, accessories, software, power cord, serial cord and manuals. sn. 33380362 sn. 33380363	247-021-03	MDA60891	3	\$10,080.00	\$30,240.00	

sn. 33380364					
Analizador PM 2.5 modelo TEOM Serie 1400 ^e , 120 VAC, incluye sensor unit, control unit w/connector RS232, 3 analog output, 7 analog input, inlet, sample UMP, main and auxiliary flow controllers, flow audit adapter kit, 2 sampler tube extension (1MX, flow splitter, 10 M two flow cable set, computer and RS232 interface cables, 2 operating manuals service manual quick start guide, box of 20 TEOM T x 40 filter, 4 large bypass in-line filters, English key pad, power cord, TEOCOMM software.	247-022-03	MDA60892	3	\$22,148.00	\$44,296.00
sn. 140AB2470900307					
sn. 140AB2471000307					
sn. 140AB2471100307					
Linea Teflon con las siguientes especificaciones: ID 5/32 (4.0 mm) OD 1/4 (6.4 mm), wall 3/64 (1.2 mm) max. Psi at 70 F=421	247-023-03	MDA60893	7	\$54.00	\$1,204.15
Compression Nuts Assemblies w/Ferrule 1/4 OD Teflon PFA			50	\$4.46	
Compression Nuts Assemblies w/Ferrule 1/4 OD SS			50	\$3.40	
Teflon PFA Holder for 47mm Membranes			5	\$76.57	
Flete			1	\$50.30	
Total					\$202,489.16